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TOWN OF CULLEN, LOUISIANA

ANNUAL FINANCIAL REPORT

JUNE 18, 2003

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Release Date 4/25/03

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## INDEPENDENT AUDITORS' REPORT

The Honorable Floydson White, Mayor,  
and the Members of the Board of Aldermen,  
Town of Calien, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Calien, Louisiana, as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Calien's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Calien, Louisiana, as of June 30, 2002, and the results of its operations and its cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated December 17, 2002 on our consideration of the Town of Calien's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Cullen, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Minden, Louisiana

December 17, 2002

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THESE RESULTS ARE IN ACCORD WITH THE  
FINDINGS OF OTHER STUDIES THAT  
INDICATE THAT THE USE OF  
COMPUTERS IN THE CLASSROOM  
CAN BE BENEFICIAL TO STUDENTS.

[illegible]

In planning and performing our audit, we considered Tereos de Cofee, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting

would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that could be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, Board of Aldermen, the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:113, this report is distributed by the Legislative Auditor as a public document.



Marcia Weiss  
December 13, 2001

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### MANAGEMENT LETTER

The Honorable Floydson White, Mayor,  
and the Members of the Board of Aldermen  
Town of Cullen, Louisiana

We have audited the financial statements of the Town of Cullen, Louisiana, as of and for the year ended June 30, 2003, and have issued our report thereon dated December 15, 2003.

In connection with our audit, we made certain observations relative to the records maintained, the accounting procedures in effect, and the overall administration of the financial affairs of the Town. As a supplement to the reports, we submit for your consideration pertaining to the following observations which did not meet the criteria of being material to the general purpose financial statements.

*Compliance items considered non-material to general purpose financial statements.*

#### **2003-1: Use of public funds and Art. 7, Section 14 of the LA Constitution of 1974**

Article 7, Section 14 of the Louisiana Constitution of 1974 prohibits the funds, credit, property or things of value from being loaned, pledged, or donated to or for any person, association, or corporation. The Town of Cullen entered into the following transactions during the year ended June 30, 2003:

- The Town of Cullen paid the Boys & Girls Club \$4,808. A written cooperative endeavor agreement was prepared by the Town to support this transaction. However, according to Opinion Number 01-0162 issued by the Department of Justice, a municipality may not simply donate funds to an agency such as the Boys and Girls Club of America. It can, however, expend public funds for a program of social welfare for the aid and support of the needy provided that there exist objective criteria to properly identify those who are needy.

- The Town of Cullen provided services and funds to the Hope Center. Although both the current and former mayors of Cullen assert that a cooperative endeavor exists between the Town and the Hope Center, no written cooperative endeavor was provided as evidence to support their assertion.
- During our test work of utility billings, we noted the Town of Cullen had not adhered to its utility relief policy of cutting off past due accounts.

Per Opinion 02-0162, issued by the Department of Justice, for a cooperative endeavor to be legally permissible, it must be made pursuant to a legal obligation; must be for a public purpose; and, it must result in a public benefit which is proportionate to its cost. We recommend that the Town determine if it has a legal obligation to expend public funds and evidence this determination by a valid statute, ordinance, charter, contract or Attorney General Opinion. In addition, we recommend the Town adhere to the relief policy and consider the use of a collection agency to pursue past due accounts.

Prior audit findings have been addressed by the Town management unless included in the above comments. Should you have any questions concerning the contents of this letter or if we can be of any additional service, please contact us at your convenience.

Very truly yours,



Jamison, Wise & Martin

December 17, 2011

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

FOUNTAIN OF KNOWLEDGE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT CATEGORIES  
June 30, 2002

	Schedular Fund Types		Proprietary Fund Types		Account Groups			Totals	
	General		Special Revenue		General		Long-term Debt	(Monetary Units)	
	General	Special Revenue	Special Revenue	Subgrantee	General Assets	General Liabilities		2002	2001
<b>ASSETS</b>									
Cash	46,263	16,549	-	12,419	-	-	-	75,231	80,000
Cash - C/Os	4,466	16,900	-	2,000	-	-	-	23,366	25,600
Investments	10,144	10,656	-	1,065,156	-	-	-	1,176,956	1,361,611
Receivables	-	-	-	-	-	-	-	-	-
Trans and fees	9,176	6,549	-	-	-	-	-	15,725	21,400
Grants	-	-	-	-	-	-	-	-	-
Fixed and other equipment	-	-	-	15,143	-	-	-	15,143	16,246
Other	6,805	26,055	-	35	-	-	-	32,895	31,407
Due from other funds	2,407	26,276	-	3,694	-	-	-	31,377	28,790
Supplies inventory, at cost	-	-	-	1,366	-	-	-	1,366	13,862
Prepaid expenses	500	-	-	-	-	-	-	500	2,000
Deposits	10	-	-	-	-	-	-	10	100
Inventory assets	-	-	-	-	-	-	-	-	30
Cash	21,100	-	-	3,811	-	-	-	24,911	6,492
Cash - C/Os	1,000	-	-	26,164	-	-	-	27,164	16,000
Investments	-	-	-	26,400	-	-	-	26,400	26,000
Water and Sewer System Fund	-	-	-	1,206,673	-	-	-	1,206,673	1,404,280
Plant and equipment - net	-	-	-	-	-	89,093	-	89,093	89,000
Land	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	414,526	-	414,526	414,526
Improvements other than buildings	-	-	-	-	-	887,941	-	887,941	799,250
Equipment	-	-	-	-	-	613,333	-	613,333	603,113
Contributions in progress	-	-	-	-	-	-	-	-	96,968
Unamortized land acquisition expense	-	-	-	6,270	-	-	-	6,270	6,044
Funds to be provided for retirement of debt	-	-	-	-	-	-	86,261	86,261	103,412
<b>Total assets</b>	<b>9,116,649</b>	<b>147,964</b>		<b>2,173,608</b>	<b>1,292,213</b>	<b>89,093</b>		<b>3,245,713</b>	<b>3,463,072</b>

# TOWN OF CHILLEN, IOWA

## COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS Year 2012

### LIABILITIES, FUND EQUITY AND OTHER CREDIT

Liabilities							
	\$	2018	2019	2020	2021	2022	2023
Accounts payable	10,407	10,407	11,140	-	-	40,377	10,407
Due to other funds	-	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	1,077	1,077
Payables from restricted assets	-	-	11,111	-	-	1,503	10,508
Services/fees payable	-	-	211,116	-	-	229,406	187,387
Contributions of individuals	-	-	-	-	-	81,464	81,464
<b>Total liabilities</b>	<b>30,814</b>	<b>20,814</b>	<b>243,667</b>	<b>-</b>	<b>-</b>	<b>253,227</b>	<b>302,243</b>
Fund equity and other credits							
Contributed capital	-	-	2,421,891	-	-	1,621,890	2,421,891
Investment in general fund assets	-	-	-	-	1,982,311	-	1,982,311
Endowed earnings -	-	-	-	-	-	-	-
Unreserved	-	-	(1,789)	-	-	-	46,817
Fund Reserves	-	-	-	-	-	-	-
Reserved for long-term activities	1,199	-	-	-	-	1,199	1,199
Reserved for debt retirement	1,598	-	-	-	-	1,598	1,598
Unreserved	1,954	-	-	-	-	1,804	1,804
Designated for (Leisure Park, Underground)	140,782	281,219	-	-	-	421,991	484,711
<b>Total fund equity and other credits</b>	<b>15,623</b>	<b>281,219</b>	<b>2,419,102</b>	<b>-</b>	<b>1,982,311</b>	<b>4,038,694</b>	<b>4,902,133</b>
<b>Total liabilities, fund equity and other credits</b>	<b>1,110,329</b>	<b>281,008</b>	<b>1,271,638</b>	<b>-</b>	<b>1,982,311</b>	<b>2,591,921</b>	<b>3,484,376</b>

The accompanying notes are an integral part of this financial statement.

**TOWN OF CULLEN, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES**  
**Year Ended June 30, 2001**

	<u>General</u>	<u>Special</u> <u>Revenue</u>	<u>Totals</u> <u>(Aggregated in Col.)</u>	
			<u>2001</u>	<u>2000</u>
<b>Revenues:</b>				
Taxes	\$ 18,719	188,458	179,235	128,452
Licenses and permits	54,995	-	54,995	88,100
Intergovernmental	117,428	-	117,428	126,680
Charges for services	80,699	-	80,699	58,658
Fines and forfeits	17,116	-	17,116	18,680
Interest	3,942	4,628	8,577	18,162
Miscellaneous	18,158	-	18,158	8,289
Total revenues	<u>389,145</u>	<u>193,126</u>	<u>582,298</u>	<u>509,408</u>
<b>Expenditures:</b>				
Current -				
General government	158,448	1,188	159,647	168,162
Public safety - Police	173,828	-	173,828	168,608
Highways and streets	16,710	-	16,711	18,001
Sanitation	38,868	-	38,868	37,540
Culture and recreation	-	7,188	7,189	2,289
Debt service	20,174	-	21,774	29,681
Total expenditures	<u>418,127</u>	<u>8,406</u>	<u>426,735</u>	<u>522,271</u>
Excess (deficiency) of revenues over expenditures	<u>(148,984)</u>	<u>384,626</u>	<u>(14,718)</u>	<u>(72,864)</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	388	-	388	-
Operating transfers in	118,841	-	118,840	99,781
Operating transfers out	-	(118,841)	(118,840)	(99,781)
Total other financing sources (uses)	<u>118,841</u>	<u>(118,841)</u>	<u>388</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(21,143)</u>	<u>(13,815)</u>	<u>(36,128)</u>	<u>(12,864)</u>
Fund balances at beginning of year	<u>(71,286)</u>	<u>(60,272)</u>	<u>(73,642)</u>	<u>(85,702)</u>
Fund balances at end of year	<u>\$ (92,429)</u>	<u>(74,087)</u>	<u>(106,717)</u>	<u>(102,942)</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF CULLIN, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**SUBJECT (CASH BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS TYPES**  
**YEAR ENDED JUNE 30, 2022**

		General Fund	
	Budget	Actual vs Budgetary Data	Variance - Favorable (Disadvantage)
<b>Revenues:</b>			
Taxes	\$ 10,808	10,769	(39)
Licenses and permits	46,155	54,899	8,745
Intergovernmental	194,059	194,593	534
Charges for services	48,598	49,581	983
Fees and forfeits	11,188	17,768	6,580
Interest	4,187	3,941	(246)
Miscellaneous	12,189	10,893	(1,296)
<b>Total revenues</b>	<u>327,084</u>	<u>333,443</u>	<u>6,359</u>
<b>Expenditures:</b>			
General government	188,289	188,294	(5)
Public safety -			
Police	18,208	17,441	767
Highways and streets	19,880	36,364	16,484
Sanitation	40,120	39,445	675
Culture and recreation	-	-	-
Debt service	32,811	31,178	1,633
<b>Total expenditures</b>	<u>299,308</u>	<u>293,722</u>	<u>5,586</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>127,776</u>	<u>139,721</u>	<u>11,945</u>
<b>Other financing sources (uses):</b>			
Sale of capital assets	209	209	-
Operating transfers in	149,000	117,984	(31,016)
Operating transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>149,209</u>	<u>118,193</u>	<u>(31,016)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>276,985</u>	<u>257,914</u>	<u>19,071</u>
<b>Fund balance at beginning of year</b>	<u>198,295</u>	<u>192,187</u>	<u>(6,108)</u>
<b>Fund balance at end of year</b>	<u>\$ 475,280</u>	<u>\$ 450,101</u>	<u>(25,179)</u>

The accompanying notes are an integral part of this financial statement.

Special Revenue Funds		
Budget	Actual vs Budgetary Data	Variance - Favorable (Unfavorable)
187,320	111,346	4,186
-	-	-
-	-	-
-	-	-
1,900	4,883	180
<u>189,220</u>	<u>116,229</u>	<u>4,366</u>
311,338	113,429	4,328
1,379	1,369	(98)
-	-	-
-	-	-
-	-	-
7,088	7,814	(94)
<u>1,387</u>	<u>1,383</u>	<u>(4)</u>
8,325	8,447	(22)
<u>102,723</u>	<u>104,980</u>	<u>4,257</u>
-	-	-
(148,880)	(171,958)	23,078
<u>(148,880)</u>	<u>(171,958)</u>	<u>23,078</u>
(57,215)	(11,094)	26,211
<u>187,731</u>	<u>317,447</u>	<u>28,733</u>
<u>188,997</u>	<u>316,447</u>	<u>28,448</u>

**TOWN OF EULIN, LOUISIANA  
ENTERPRISE FUNDS**

**COMBINED BALANCE SHEET  
June 30, 2021**

	Water Fund	Sewer Fund	Totals (Subsequent Only)	
	<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash	\$ 30,688	1,899	12,519	11,194
Certificates of deposit	1,711	717	2,059	11,116
Investments	271,434	834,761	1,066,195	1,038,905
Accounts receivable - customers	14,159	11,160	10,980	11,467
Accounts receivable - other	26	-	26	183
Supplies inventory - at cost (FIFO)	1,366	-	1,366	1,808
Due from other funds	<u>141</u>	<u>4,932</u>	<u>5,299</u>	<u>898</u>
<b>Total current assets</b>	<u>282,134</u>	<u>853,559</u>	<u>1,135,694</u>	<u>1,134,003</u>
<b>Restricted assets:</b>				
Cash - Customers water deposits	1,911	-	1,911	1,768
Investments	20,600	-	20,600	20,600
Certificates of deposit -				
Bond sinking fund	-	1,581	1,581	1,581
Bond reserve fund	-	16,811	16,468	16,871
Bond contingency fund	<u>-</u>	<u>71,152</u>	<u>71,152</u>	<u>13,544</u>
<b>Total restricted assets</b>	<u>22,511</u>	<u>88,543</u>	<u>83,722</u>	<u>32,863</u>
<b>Plant and equipment - at cost</b>				
Less accumulated depreciation	1,134,094	1,191,114	1,705,208	1,711,581
	<u>(773,897)</u>	<u>(11,811,779)</u>	<u>(12,587,087)</u>	<u>(12,077,889)</u>
	<u>360,117</u>	<u>978,261</u>	<u>1,318,671</u>	<u>1,646,273</u>
<b>Other assets:</b>				
Unassigned bond interest expense (net)	<u>-</u>	<u>6,472</u>	<u>6,472</u>	<u>6,481</u>
<b>Total other assets</b>	<u>-</u>	<u>6,472</u>	<u>6,472</u>	<u>6,481</u>
<b>Total assets</b>	<u>\$ 611,145</u>	<u>1,890,492</u>	<u>2,503,649</u>	<u>2,803,643</u>

The accompanying notes are an integral part of these financial statements.

	Water Fund	Sewer Fund	Totals Odessa/Sebastian, Calif.	
			2002	2001
<b>Liabilities and Fund Equity</b>				
<b>Current liabilities:</b>				
Payable from current assets -				
accounts payable	\$ 4,408	3,068	9,473	10,339
Current portion bonds payable	-	251,885	251,885	25,341
Due to other funds	4,301	1,779	11,348	4,949
Payable from restricted assets -				
Customers' water deposits	21,521	-	21,521	21,140
Total current liabilities	34,229	256,732	293,882	34,949
<b>Long-term liabilities:</b>				
Bonds payable	-	-	-	271,446
Total long-term liabilities	-	-	-	271,446
Total liabilities	34,229	256,732	293,882	356,444
<b>Fund equity:</b>				
Contributed capital -				
Municipality	127,398	165,369	321,767	192,767
Federal revenue sharing	60,202	-	60,202	60,202
In aid of construction	84,098	-	84,098	84,098
Federal grants and state grants	529,179	1,668,949	1,996,118	1,699,294
Retained earnings	(4,174)	440	(1,729)	48,607
Total fund equity	786,903	1,669,758	1,418,696	1,985,248
Total liabilities and fund equity	\$ 821,132	1,926,490	1,712,578	1,939,693

**TOWN OF CULLUM, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN**  
**RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES**

Year Ended June 30, 2021

	Water Fund	Sewer Fund	<u>Amortization Debt</u>	
			2021	2020
<b>Operating revenues:</b>				
Charges for services:				
Water sales	\$ 79,468	-	79,468	79,468
Sewer service charges	-	147,689	147,689	147,689
Reconnect charges	1,804	-	1,804	1,116
Tuition charges	69	79	140	500
Delinquent charges and penalties	-	6,804	6,804	6,493
Miscellaneous revenue	146	17	163	182
<b>Total operating revenues</b>	<u>\$1,484</u>	<u>154,595</u>	<u>185,072</u>	<u>185,052</u>
<b>Operating expenses:</b>				
Salaries	43,368	45,604	88,972	91,117
Payroll taxes	3,414	3,617	7,031	7,040
Insurance	7,912	6,112	14,144	11,735
Repairs and maintenance	7,459	31,647	39,106	36,391
Supplies	5,498	1,179	6,676	11,680
Utilities	15,808	79,972	95,780	49,031
Amortization	-	309	309	309
Depreciation	17,080	164,198	181,278	171,847
Office supplies	1,710	840	2,551	1,938
Accounting and legal	1,984	1,956	3,940	1,641
Travel and training	266	165	431	619
Travel and permits	-	1,760	1,760	4,779
Bad Debt	1,107	1,810	2,917	-
Miscellaneous	1,889	398	2,287	711
<b>Total operating expenses</b>	<u>119,054</u>	<u>324,112</u>	<u>444,071</u>	<u>349,899</u>
<b>Operating (loss)</b>	<u>(34,467)</u>	<u>(169,517)</u>	<u>(258,999)</u>	<u>(164,847)</u>
<b>Non-operating revenues (expenses):</b>				
Interest expense	-	(71,441)	(71,441)	(71,136)
Interest revenue	5,632	11,264	16,896	6,271
<b>Total non-operating revenues (expenses)</b>	<u>5,632</u>	<u>8,823</u>	<u>45,455</u>	<u>(64,865)</u>
<b>Net (loss)</b>	<u>(28,835)</u>	<u>(160,694)</u>	<u>(213,544)</u>	<u>(229,712)</u>
<b>Add depreciation on fixed assets acquired by grants, settlements, and other revenues internally collected for capital acquisitions and construction that reduces contributed capital</b>	<u>29,667</u>	<u>19,440</u>	<u>49,107</u>	<u>49,116</u>
<b>Retained earnings - beginning of year</b>	<u>5,798</u>	<u>45,022</u>	<u>49,037</u>	<u>67,281</u>
<b>Retained earnings - end of year</b>	<u>\$ (23,037)</u>	<u>(195,312)</u>	<u>(213,477)</u>	<u>(225,245)</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF CELLA, LOUISIANA  
ENTERPRISE FUNDS**

**COMBINED STATEMENT OF CASH FLOWS  
Year Ended June 30, 2002**

	Water Fund	Sewer Fund	Totals (Memorandum Only)	
	2002	2001	2002	2001
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 76,411	111,111	228,666	203,974
Cash payments for supplies and services	(44,165)	(74,640)	(122,807)	(123,846)
Cash payments for salaries	(41,566)	(41,604)	(88,970)	(88,217)
Other operating revenues	146	12	361	388
Net cash provided (used) by operating activities	(9,174)	(1,011)	(7,650)	(8,291)
<b>Cash flows from capital and related financing activities:</b>				
Purchase of assets	(6,617)	-	(6,617)	(6,617)
Principal payments on long-term debt	-	(11,511)	(11,511)	(11,511)
Interest payments on long-term debt	-	(11,441)	(11,441)	(11,510)
Net cash used by capital and related financing activities	(6,617)	(22,952)	(25,009)	(29,638)
<b>Cash flows from investing activities:</b>				
Deposits with investment pools	(6,180)	(21,030)	(27,210)	(66,508)
Interest earned on cash and cash investments	6,028	21,914	26,762	61,677
Withdrawals from investment pools	28,022	-	28,022	18,898
Net cash provided (used) by investing activities	27,870	914	21,652	22,067
<b>Net (decrease) in cash and cash equivalents</b>	(1,497)	(18,070)	(17,507)	(11,997)
<b>Cash and cash equivalents at beginning of year</b>	36,777	55,377	79,164	94,161
<b>Cash and cash equivalents at end of year</b>	<u>\$ 35,280</u>	<u>37,307</u>	<u>61,657</u>	<u>82,164</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
<b>Operating loss</b>	\$ (18,467)	(61,116)	(138,883)	(110,819)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	27,888	104,613	112,660	132,034
(Increase) decrease in accounts receivable	(1,835)	(880)	(1,915)	(2,191)
(Increase) decrease in accounts receivable - other	31	301	332	(111)
(Increase) decrease in due from other funds	(142)	-	(142)	(645)
(Increase) decrease in inventory	(1,564)	-	(1,564)	-
Increase (decrease) in accounts payable	(617)	(1,014)	(1,697)	(1,367)
Increase (decrease) in due to other funds	1,718	(1,419)	2,298	4,648
Increase (decrease) in deposits	(1,311)	-	(1,311)	352
<b>Net cash provided by operating activities</b>	<u>\$ 14,838</u>	<u>21,984</u>	<u>17,852</u>	<u>21,191</u>

The accompanying notes are an integral part of this financial statement.

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 1982

#### 1. Summary of significant accounting policies

The Town of Cullen was incorporated June 16, 1915, under the provisions of the Louisiana Act and is located in northern Webster Parish. The Town operates under a Mayor-Board of Aldermen form of government and provides the following services as authorized by its charter: general administrative services, public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, and planning and zoning. The Board of Aldermen is made up of five members who are elected by the citizens of Cullen to serve four-year terms. They are compensated for their services.

The accounting and reporting policies of the Town of Cullen conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the Louisiana Municipal Audit and Accounting Guide and to the industry audit guide, Audit of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

- A. Basic of presentation The accompanying financial statements of the Town of Cullen conform with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.
- B. Reporting entity GASB Statement No. 14 established criteria for determining the governmental reporting entity. For financial reporting purposes, in conformance with GASB 14, the Town of Cullen includes all funds, account groups, or others, that are within the financial accountability of the Town. Certain units of local government over which the Town exercises no financial accountability are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Town of Cullen.
- C. Fund accounting The Town of Cullen uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

A fund is a separate accounting entity with a set of self-balancing accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable resources.

Funds of the Town of Cullen are classified into two categories: governmental and proprietary. Each category, in turn, is divided in separate fund types. The fund classifications and a description of each existing fund type follow:

#### **Governmental Funds -**

Governmental funds account for all or most of the Town of Cullen's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

**General Fund** - the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

**Capital Projects Funds** - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported on other governmental funds.

#### **Proprietary Funds -**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

#### Proprietary funds include:

Enterprise Funds - account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

- (2) Basis of accounting. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - generally recognized when they become measurable and available as net current assets. Revenues collected within 60 days after year-end are considered available to pay liabilities of the current period.

Expenditures - generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Other financing sources (uses) - transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

All proprietary fund types are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are

TOWN OF CULLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2002

recognized when earned and expenses are recognized at the time the liabilities are incurred.

E. Budgets and budgetary accounting The Town follows the following budget practices:

- a) The Town Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases or decreases in expenditures resulting from revenues exceeding or falling to meet amounts estimated require the approval of the Board of Aldermen.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for the General and Special Revenue Funds were adopted on a cash basis for the year ended June 30, 2002. Budgeted amounts, as originally adopted, are recorded from time to time by the Board of Aldermen. Such amendments were not material in relation to the original appropriations. Budgets comparisons are not presented for the following year due to the continuation of these funds for the purposes authorized by the underlying grant.

Special Revenue Funds-

Rural Development Revolving Loan Program Grant

# TOWN OF CULLEN, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2002

- (c) The revenues and expenditures presented on Page 18 using the GAAP basis are reconciled with the Actual or Budgetary Basis presented on Pages 11 and 12 as follows:

	General Fund	Special Revenue Funds
Total revenues (GAAP Basis)	\$ 368,240	111,155
Adjustments:		
Revenue accounts	48,813	2,826
Revolving Loan Program	-	(1,351)
Total revenues (Budgetary Basis)	\$ 417,053	112,630
Total expenditures (GAAP Basis)	\$ 418,227	8,495
Adjustments:		
Expenditure accounts	24,948	(105)
Total expenditures (Budgetary Basis)	\$ 443,175	8,390

- F. Encumbrances - The Town of Cullen does not employ the use of encumbrance accounting in its governmental funds.
- G. Cash and cash equivalents - Cash includes amounts in demand deposits and certificates of deposits. Under state law, the Town may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.
- H. Investments - Investments are limited by Louisiana Revised Statute (R.S. 19:2931) and the municipality's investment policy. Under state law, the Town of Cullen may invest in United States bonds, treasury notes, or certificates. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

Investments held at the Town of Cullen consist of \$1,331,710 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB codification Section 150.165, the investment in LAMP at the Town of Cullen is not categorized in the three risk categories provided by GASB Codification Section 150.160 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 13:2916. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 700) enacted LSA-R.S. 33:2853(A)(7)(b) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of the domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 181 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

2. **Short-term interfund receivables and payables:** During the course of operations, numerous transactions occur between funds for goods or services rendered. These receivables and payables are classified as due from funds or due to funds on the balance sheet. Short-term interfund loans are classified as interfund receivables and payables.
3. **Bad debts:** All receivables are considered fully collectible and, therefore, no allowance for uncollectible amounts is provided. If amounts become uncollectible, they are charged to operations when that determination is made.
8. **Inventories:** Inventories of supplies in the proprietary funds are valued at cost (first-in, first-out).
1. **Fixed assets:** Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the CFAAG. The Town has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged as an expense against operations.

Depreciation is computed using the straight-line method with the following useful lives:

Water Utility -

Wells	25 years
Storage tanks	25 years
Lines	25 years
Equipment	5-10 years

Sewerage Utility -

Pump stations	25 years
Lines	25 years
Equipment	5-10 years

All fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

fair value on the date donated.

- M. Restricted assets - Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

There shall be set aside into a "Bond Reserve Fund" an amount equal to 5% of the payments from the Sinking Fund until such time as there has been accumulated therein a sum equal to the highest combined principal and interest requirements for any year on bonds payable from the Sinking Fund (\$30,975.50). Moneys in the Reserve Fund will be used solely for the purpose of paying principal of and interest on such bonds as to which there would otherwise be a default.

There shall be set aside a sum of \$1.04 per month into a "Depreciation and Contingency Fund" for the purpose of caring for depreciation, renovations, additions, improvements and replacements necessary to operate properly the System. Money in this fund may be used for the purpose of payment of bonds for which there is not sufficient money in the Sinking Fund or Reserve Fund.

For the year ended June 30, 2002, the Town of Cullen received confiscated drug revenues which are restricted for expenditure on drug policing activities. The Town accounts for these revenues in the general fund as allowed by LA&SF Code Sec 1780.107 which states that if the purpose is normally financed through the general fund, that fund (instead of a special revenue fund) may be used to account for restricted revenues and expenditures as long as applicable legal requirements can be satisfied.

Certain proceeds of the general bond Certificate of Indebtedness, Series 1999, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable covenants.

There shall be set aside into a "Certificate of Indebtedness, Series 1999, Reserve Fund," an amount at least equal to 10% of the amount to be paid monthly into the Sinking Fund until there has been accumulated therein a sum equal to the highest combined principal and interest falling due in any succeeding year. The money in the Reserve Fund is to be used solely for the purpose of paying the principal and interest on the Certificate as which there

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

would otherwise be default.

- N. Compensated absences. Employees are allowed to accrue ten days of sick leave each year. Employees can be paid sick leave only when sick. Since the employees' accumulating rights to receive compensation for future absences are contingent upon the absences being caused by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

Employees are granted annual leave as follows:

> 1 years of service	5 days (40 hours)
> 3 years of service	10 days (80 hours)
> 8 years of service	15 days (120 hours)

Annual leave is granted to each employee on their anniversary date of employment based on years of service. No carryover is allowed for annual leave. Upon termination of employment, an employee will be paid for unused vacation as of the termination date. Accumulated unpaid annual leave is accrued when incurred in the proprietary funds (using the accrual basis of accounting.) Such amounts are not accrued in governmental funds (using the modified accrual basis of accounting), however these amounts are recorded in the General Long Term Debt Account Group. At June 30, 2002, accumulated unpaid vacation pay was \$4,197 and an accrual in the General Long Term Debt Account Group was recognized.

- O. Long-term obligations. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

#### P. Fund equity

##### Contributed Capital -

Contributed capital is recorded in the enterprise funds for capital grants restricted for the acquisition or construction of capital assets. For the year ended June 30, 2002, the Town closed depreciation expense directly related to the contributed capital account for those assets which were constrained with resources externally restricted for capital acquisitions in accordance with GASB Codification Section 600.116.

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

**Reserves -**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**Designated Fund Balances -**

Designated fund balances represent tentative plans for future use of financial resources.

- Q. Interfund transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonreversing or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

- R. Sales taxes - The voters of the Town of Cullen approved a 1% sales and use tax on January 20, 1973. The proposition approved by the voters specifies that the revenue may be used for any lawful corporate purpose. On November 21, 1987, the voters approved a 1/2% sales and use tax which specifies that the revenue may be used for the purpose of constructing, operating and maintaining the sewer system, waterworks, garbage collection and waste disposal facilities, fire department stations and related facilities, public parks and related facilities, and streets, alleys, sidewalks and bridges and for payment of salaries of city-elected municipal employees.

On April 29, 1992, the voters approved an additional 1% sales and use tax, which specifies that revenue may be used for any lawful purpose for the town and authority to fund the tax proceeds into bonds to pay the costs of any lawful capital improvements for the town.

- S. Total columns on combined statements - Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

## TOWN OF CULLIN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### 2. Ad valorem taxes

For the year ended June 30, 2002, taxes of 7.15 mills were levied on property with assessed valuations totaling \$1,326,868 and were dedicated as follows:

General corporate purposes	7.15 mills
----------------------------	------------

Total taxes levied were \$95,911.

Ad valorem taxes attach as an enforceable lien on the valuation of property as of January 1, of each year. The Town of Cullen bills and collects its property taxes using the assessed values determined by the tax assessor of Webster Parish.

#### 3. Cash and cash equivalents

At June 30, 2002, the Town of Cullen had cash and cash equivalents totaling \$ 189,060 as follows:

Party cash	\$ 823
Demand deposits	77,683
Certificates of deposit	110,552
Total	\$ 189,058

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a building or custodial bank that is mutually acceptable to both parties. At June 30, 2002, the Town of Cullen had \$110,868 in bank deposits. These deposits are secured from risk by \$100,140 of federal deposit insurance and \$40,811 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 7). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised

# TOWN OF CULLEN, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2002

Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

### 4. Restricted assets

For the government fund types, the restricted assets were applicable to the following at June 30, 2002:

Confiscated drug revenues	\$ 2,199
Certificate of indebtedness sinking fund	1,281
Certificate of indebtedness reserve fund	<u>4,232</u>
Total	\$ <u>7,712</u>

For the proprietary fund types, restricted assets were applicable to the following at June 30, 2002:

Customers' water deposits – cash	\$ 1,913
Customers' water deposits – investment	26,600
Sewer revenue bond sinking fund	1,581
Sewer revenue bond reserve fund	16,431
Sewer revenue bond contingency fund	<u>17,043</u>
Total	\$ <u>63,568</u>

TOWN OF CLILLIN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

5. Changes in general fixed assets:

A summary of changes in general fixed assets is presented below:

	Balance June 30, 2001	Additions	Retirements	Balance June 30, 2002
Land	\$ 68,693	-	-	68,693
Buildings	414,526	-	-	414,526
Improvements other than buildings	361,257	66,684	-	887,941
Equipment	605,411	7,228	(2,500)	610,139
Construction in progress	<u>24,048</u>	<u>-</u>	<u>(24,048)</u>	<u>-</u>
Total general fixed assets	\$ 1,874,927	<u>100,922</u>	<u>(26,548)</u>	<u>1,949,311</u>

6. Proprietary fixed type property, plant and equipment:

A summary of changes in the Water and Sewer System Funds property, plant and equipment is presented below:

Description	Balance June 30, 2001	Additions	Retirements	Balance June 30, 2002
Land & easements	\$ 7,923	-	-	7,923
Water tank	21,318	-	-	19,169
Water wells/system	166,528	5,180	-	171,838
Water lines	981,243	-	-	801,243
Sewer system	1,972,522	-	-	1,872,522
Oxidation pond	32,558	-	-	32,938
Equipment	691,329	1,207	-	692,888
Buildings	<u>7,743</u>	<u>-</u>	<u>-</u>	<u>7,743</u>
Totals	\$ 3,720,181	<u>6,407</u>	<u>-</u>	<u>3,726,588</u>

TOWN OF CULLIN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

7. *Changes in long-term debt*

The following is a summary of changes in long-term debt for the year ended June 30, 2002:

	<u>Certificates of Indebtedness</u>	<u>Revenue</u>
Bonds payable, July 1, 2001	\$ 99,461	287,188
Bonds retired	(17,817)	(35,362)
Bonds payable, June 30, 2002	<u>\$ 81,644</u>	<u>251,826</u>

Bonds at June 30, 2002, are comprised of the following individual issues:

*Certificates of Indebtedness, Series 1999:*

\$120,365 *Certificates of Indebtedness, Series 1999*,  
dated November 4, 1999; due in monthly installments  
installments of \$1,281 through November 4, 2009;  
interest at 4 1/2%

\$ 82,694

*Revenue bonds:*

\$520,000 sewer revenue refunding bonds of 1992,  
dated January 15, 1992; due in monthly installments  
of \$2,481 through January 15, 2032; interest at 7%.

\$ 251,826

The annual requirements to amortize all debt outstanding as of June 30, 2002, including interest payments of \$14,718 are presented below:

<u>Year Ending June 30,</u>	<u>Certificates of Indebtedness</u>	<u>Revenue</u>
2002	\$ 15,374	219,673
2003	15,374	-
2004	15,374	-
2005	15,374	-
2006	15,374	-
Thereafter	<u>18,560</u>	<u>-</u>
	<u>\$ 99,524</u>	<u>219,673</u>

TOWN OF CULLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2002

Management has been paying and plans to pay in the future an additional \$906 per month on the outstanding certificates of indebtedness. If these payments are made then the total requirements to amortize the debt will be \$91,278.

On August 13, 2002, management elected to pay off the outstanding revenue bonds consisting of principal and interest of \$249,192.

The following is a computation of legal debt margin at June 30, 2002:

Net assessed value	\$1,126,866
Debt limit = 10 percent of total assessed value	\$ 102,600

**8. Sales and use tax**

Effective July 1, 1993, an additional 1% sales and use tax was levied by the Town of Cullen to be used for any lawful purpose for the Town. Sales taxes collected on the 1% sales and use tax totaled \$98,816 for the year ended June 30, 2002.

Sales taxes collected on the 1.25% sales and use tax totaled \$21,704 for the year ended June 30, 2002.

**9. Flow of funds, restrictions, on wastewater system revenues**

Under the terms of the bond indentures for the outstanding Refunding Revenue Bonds of 1993, all income and revenues earned or derived from the operation of the sewer system are pledged and dedicated to the retirement of said bonds and are to be maintained and administered in the following order of priority and express purpose:

- (a) The payment of all reasonable and necessary expenses of administering, operating, and maintaining the system.
- (b) The payment of said Revenue Refunding Bonds, including interest.

# TOWN OF CULLEN, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

June 30, 2002

(c) Monthly payments of \$139 are to be made to the bond reserve account until \$60,979 has been accumulated therein. Funds available in the bond reserve account may be used only for the payment of bond installments and interest when sufficient funds are not on deposit in the operating account.

(d) Monthly payments of \$134 are to be made to the bond contingency account. Funds in this account may be used for extensions, additions, improvements, and replacements necessary to properly operate the system.

### 10. Contingent liabilities

At June 30, 2002, there was no litigation pending against the Town of Cullen.

### 11. Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. At June 30, 2002, such interfund receivables and payables were as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 7,857	12,857
Special Revenue Funds:		
10% Sales Tax Fund	25,208	-
Revolving Loan Program	100	10
2% Sales Tax Fund	4,968	-
Enterprise Fund	<u>7,844</u>	<u>11,148</u>
	\$ 42,112	\$1,172

## TOWN OF CULLEN, LOUISIANA

### NOTES TO FINANCIAL STATEMENTS

June 30, 2002

#### 12. Retirement System

Prior to the current fiscal year, the employees of the Town elected to terminate their participation in the Municipal Employees' Retirement System. The plan was terminated effective July 1, 1992, following the conclusion of the plan's prescribed waiting period. All funds on deposit with the system were subsequently distributed to the employees according to plan terms and conditions. Subsequent to July 1, 1992 employees are covered by the Federal Social Security System.

##### **Municipal Police Employees Retirement System of Louisiana (System)**

*Plan Description.* All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire on or after age 50 with at least 20 years of creditable service or on or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 1 1/3 percent of their final average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 529-7411.

*Funding Policy.* Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Cullen is required to contribute at an actuarially determined rate. The current rate is 5.8 percent of annual covered payroll. The contribution requirements of plan members and the Town of Cullen are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:355, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Cullen contributions to the System for the years ended June 30, 2002 and 2001, were \$8,137 and \$8,611, respectively, equal to the required

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

contributions for each year.

13. Net working capital

At June 30, 2001, net working capital for the enterprise fund of the Town of Cullen was as follows:

Current assets	\$ 1,130,624
Current liabilities	<u>(293,892)</u>
Net working capital	\$ <u>836,732</u>

14. Operating Leases

The Town of Cullen is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the results of the lease agreements are not reflected in the Town's asset or liability groups. Operating lease payments for the years ended June 30, 2002 and 2001, amounted to \$1,600 and \$1,363, respectively.

As of June 30, 2002, the Town's operating lease had expired and was not renewed.

15. Revolving Loan Receivable

The Town of Cullen was awarded \$80,000 in funding for a Revolving Loan Fund under the Rural Business Enterprise Grant Program. The funds are being used in connection with a revolving loan program, established by the Town, to assist area small business development and expansion.

In connection with the Revolving Loan Fund, one loan recipient is delinquent on repayment of a \$40,000 loan made on May 1, 1998. The loan was secured by the mortgaged property. As of June 30, 2002, the total outstanding loan balance was \$19,671, and interest receivable was \$1,322. On July 2, 2001, the town adopted a resolution to initiate foreclosure proceedings against the loan recipient for non-payment of the balance due on the note secured by the mortgaged property. During the fiscal year ended June 30, 2002, no action has been taken regarding the foreclosure proceeding initiated by the Town of Cullen.

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

16. Retained deficit balance

The Enterprise Fund had a retained deficit balance of \$3,729 at June 30, 2002. This balance consisted of the deficit balance in the Water Fund in the amount of \$4,174. In regard to the deficit in the Water Fund, an ordinance increasing water rates was introduced in May, 2001 and adopted in June, 2002. This ordinance went into effect with the June 30, 2002 utility billing, which was receivable in July, 2002. This rate was a basic increase of \$2.50 per customer, (from \$8.50 to \$11.00) for the first two thousand gallons and an increase of \$ .50 (from \$1.25 to \$1.75) for all water used after the first two thousand gallons. This increase in rates should ensure that there will not be a deficit in the new budget year.

17. Prior period adjustment due to adoption of GASB-33

The Town of Cullen has adopted Governmental Accounting Standards Board (GASB) Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," GASBS No. 33, established standards for all governments with nonexchange transactions by providing four broad categories or classes of nonexchange transactions and the appropriate requirement for recognizing revenues in the financial statements for each category. Nonexchange transactions are generally transactions where the Town either gives a benefit to another party without receiving an equal benefit or by receiving a benefit without directly giving equal value. Examples of nonexchange transactions are revenues received by the Town such as sales taxes, property taxes, and franchise taxes.

The adoption of GASBS No. 33 as it applies to recognizing nonexchange revenues of the Town required that accounting changes to implement the statement be treated as an adjustment of prior periods.

TOWN OF CULLEN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2001

17. Prior period adjustment due to adoption of GASBS 13 (cont.)

A restatement of the beginning fund balance and activity for the year ended June 30, 2000 was recognized in the financial statements as follows:

	Special Revenue <u>Funds</u>
Fund balance, originally reported as of June 30, 2000	\$ 217,751
Restated revenues recognized during June 30, 2000 due to GASBS No. 13	<u>8,822</u>
Fund balance restated, as of June 30, 2000	226,573
Income as originally reported as of June 30, 2001	39,131
Net adjustment to income for revenue restatement during June 30, 2001 due to GASBS No. 13	<u>(3,321)</u>
Fund balance, restated as of June 30, 2001 for GASBS No. 13	\$ <u>228,279</u>

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS

## GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

**TOWN OF CULLEN, LOUISIANA  
GENERAL FUND**

**COMPARATIVE BALANCE SHEET  
June 30, 2022 and 2021**

	2022	2021
<b>ASSETS</b>		
Cash	\$ 40,260	41,689
Cash - CTEs	9,998	9,517
Investments	128,143	124,918
Taxes and fees receivable	9,776	8,078
Grants receivable	-	90,148
Prepaid expenses	300	808
Due from other funds -		
Revolving loan program	10	10
Capital projects fund	-	18
Enterprise fund	7,847	4,656
Other receivables	8,968	7,137
Deposits	10	18
Current assets - restricted		
Cash in bank	3,109	3,254
Cash - CTEs	<u>9,118</u>	<u>3,098</u>
<b>Total assets</b>	<b><u>\$ 218,819</u></b>	<b><u>288,901</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 28,389	61,514
Due to other funds -		
Revolving loan	608	-
Sales tax fund	30,176	30,176
Enterprise fund	<u>1,751</u>	<u>617</u>
<b>Total liabilities</b>	<b><u>60,324</u></b>	<b><u>92,307</u></b>
<b>Fund balance:</b>		
Reserved for drug policing activities	3,108	3,254
Reserved for debt retirement	1,508	9,900
Unreserved -		
Designated for Listening Park	1,934	1,930
Undesignated	<u>180,762</u>	<u>188,412</u>
<b>Total fund balance</b>	<b><u>187,422</u></b>	<b><u>193,566</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 247,746</u></b>	<b><u>285,873</u></b>

The accompanying notes are an integral part of this financial statement.



TOWN OF CHILLER, LOUISIANA  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET VS. ACTUAL AND BUDGET  
Year Ended June 30, 2009

Note: Comparative Actual Amounts for Year Ended June 30, 2008

	2009					2008	
	Budget	Actual	Adjustment w/Discrepancy Fund (Prior Yr)	Actual as Budgetary Base	Variance- Toward (Under/Over)	Actual as Budgetary Base	Actual as Budgetary Base
Revenues of various and expenditures	173,793	186,044	20,441	173,793	12,251		187,045
Other financing sources Total of capital items	200	200	-	200	-		
Operating revenues to:							
Year present other tax fund	120,000	111,777	-	111,777	(8,223)		61,268
One-half percent sales tax fund	20,000	20,000	20,000	2,000	(17,000)		8,012
Total other financing sources	140,200	131,777	(8,441)	113,777	(26,423)		69,280
(Excess/deficiency) of revenues and other resources over expenditures	(66,607)	(55,443)	20,554	1,000	11,443		(97,767)
Fund balance, beginning of year	108,200	173,200	(20,375)	152,825	111,825		146,208
Fund balance, end of year	\$ 41,593	\$ 117,757	\$ 1,179	\$ 153,825	\$ 123,268		\$ 48,441

The accompanying notes are an integral part of these financial statements.

TOWN OF CYLLER, ILLINOIS  
 (2016-2017 FISCAL YEAR)

STATEMENT OF COMPARISON TO BUDGET (IN THOUSAND DOLLAR)

Year Ended June 30, 2017

With Comparative Actual Amount for The Ended June 30, 2017

	Budget	Actual	Adjustment to Budgetary Item	Actual to Budgetary Item	Variance- Favorable (Unfavorable)	Year Actual Budgetary Item
<b>General Government</b>						
Salaries	\$ 27,485	27,114	36	(371)		26,448
Payroll taxes	2,171	2,171	111	(89)		2,082
Services	3,499	364	(3,135)	3,135	143	363
Advertising - legal and other	1,155	1,276	-	(121)	(121)	1,134
Accounting and legal	2,509	2,509	(213)	213	313	2,196
Utilities and supplies	11,499	9,191	(2,308)	2,308	1,211	7,880
Office supplies and materials	4,114	3,134	(980)	980	1,014	3,145
Insurance and maintenance	4,508	2,729	-	1,779	1,779	2,729
Community and activities fees	4,000	1,893	-	2,107	2,107	1,893
Rent and transportation	2,606	1,889	-	717	717	1,889
Materials and maintenance	1,116	1,247	(131)	131	11	1,126
Other	2,249	15,259	13,010	(13,010)	(13,010)	2,249
Capital outlay	10,565	10,412	153	(153)		10,259
<b>Total general government</b>	<b>\$ 107,491</b>	<b>104,448</b>	<b>(2,943)</b>	<b>2,943</b>	<b>(3,073)</b>	<b>101,475</b>

Public safety

<b>Police</b>						
Salaries	\$ 104,448	104,261	(187)	(187)		104,074
Utilities	17,763	17,546	217	(217)		17,329
Equipment	18,073	18,274	(201)	201		17,873
Insurance	2,898	1,895	1,003	(1,003)		1,892
Supplies	148	88	60	(60)		28
Recruitment	-	88	-	88		88
Office supplies	669	395	-	274		395
Related activities	1,129	1,109	-	20		1,109
Police radio expense	11,779	14,964	(3,185)	3,185	3,185	8,579
Utilities	1,146	867	-	279	279	867
Telephone and cellular	1,169	1,449	280	(280)	44	1,404
All expenses	1,169	1,729	(560)	560	(560)	1,169
Other	1,670	4,360	-	2,690	2,690	4,360
Capital outlay	1,670	1,670	-	-		1,670
<b>Total police</b>	<b>\$ 138,118</b>	<b>175,528</b>	<b>(37,410)</b>	<b>37,410</b>	<b>(3,032)</b>	<b>135,492</b>

(Continued)

The accompanying notes are an integral part of this statement.

BOARD OF COLLEGE EDUCATION  
REPORT FOR 2003

STATEMENT OF EXPENDITURES COMPARISON TO BUDGET (CONTINUED)

Year Ended June 30, 2003

With Comparative Actual Amounts for Year Ended June 30, 2002

	2003		2002	
	Budget	Actual	Adjusted to Budget Items	Actual as Reported
<b>Employee and Honoraria</b>				
Salaries	\$ 1,400	\$243	(1,157)	\$ 1,170
Expenses	150	43	-	107
Maintenance supplies	4,500	498	-	4,002
Maintenance supplies of books	4,500	6,093	11	6,104
Maintenance supplies of supplies	8,500	7,144	(1,356)	6,788
Travel	170	8	-	162
<b>Total employee and honoraria</b>	<b>\$ 19,120</b>	<b>\$9,936</b>	<b>(1,156)</b>	<b>\$18,780</b>
<b>Grants</b>				
Salaries	\$ 36,000	\$2,473	33,527	\$ 38,400
Expenses	1,170	1,493	323	1,816
Supplies	4,500	6,093	(1,593)	4,500
Travel	7,500	7,144	(356)	7,188
Maintenance supplies of books	7,500	6,093	(1,407)	6,093
Maintenance supplies of supplies	800	33	(767)	33
Travel	100	33	-	67
<b>Total grants</b>	<b>\$ 62,170</b>	<b>\$24,446</b>	<b>\$3,000</b>	<b>\$65,446</b>
<b>Total expenditures</b>	<b>\$ 81,290</b>	<b>\$34,382</b>	<b>\$22,171</b>	<b>\$56,227</b>

## **SPECIAL REVENUE FUNDS**

**Two Percent Sales Tax Fund** - To account for the receipt and use of proceeds of the Town's 2% sales and use tax. The revenue from the tax may be used for any lawful corporate purpose.

**One-half Percent Sales Tax Fund** - To account for the receipt and use of proceeds of the Town's 1/2% sales and use tax. The revenue from the tax may be used for any lawful corporate purpose other than expenditures for police supplies and equipment.

**Revolving Loan Program Fund** - To account for the revenues and expenditures of a Rural Business Enterprise Grant from the Rural Business-Cooperative Service of the U.S. Department of Agriculture. Grant funds are used to establish a revolving loan program to assist area small business development and expansion needs.

**TOWN OF CILULA, LOUISIANA  
SPECIAL REVENUE FUNDS**

**COMBINED BALANCE SHEET  
June 30, 2002**

With Comparative Totals for June 30, 2001

	Tax Percent Sales Tax Fund	One-half Percent Sales Tax Fund	Sewerage Laws Program Fund	Totals	
				June 30, 2002	June 30, 2001
<b>ASSETS</b>					
Cash	\$ 3,637	8,466	3,347	15,450	25,308
Cash - CDs	50,889	18,362	6,989	76,240	71,005
Investments	11,038	109,496	-	120,534	177,819
Loans receivable	-	-	48,088	48,088	48,048
Interest receivable	-	-	1,367	1,367	1,554
State tax receivable	3,609	1,830	-	5,439	11,379
Due from other funds	<u>3,888</u>	<u>24,388</u>	<u>100</u>	<u>28,376</u>	<u>30,178</u>
Total assets	<u>\$ 81,311</u>	<u>154,652</u>	<u>54,821</u>	<u>290,784</u>	<u>386,384</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	780	-	780	77
Due to other funds	-	-	30	30	38
Total liabilities	-	780	30	780	87
<b>Fund Balances:</b>					
Unreserved -					
Undesignated	<u>81,311</u>	<u>153,872</u>	<u>54,791</u>	<u>289,954</u>	<u>386,279</u>
Total liabilities and fund balances	<u>\$ 81,311</u>	<u>154,652</u>	<u>54,821</u>	<u>290,784</u>	<u>386,384</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CLARK, LOUISIANA  
SPECIAL REVENUE FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE

Year Ended June 30, 2002

With Comparative Totals for Year Ended June 30, 2001

	Two Percent Sales Tax Fund	Gas/Hot Percent Sales Tax Fund	Bonding Loan Program Fund	Totals	
				June 30, 2002	June 30, 2001
<b>Revenues:</b>					
Taxes	\$ 86,816	11,764	-	108,580	110,681
Intergovernmental revenues -					
Rural Development grant	-	-	-	-	10,888
Interest income	3,618	3,887	552	4,657	11,410
Total revenues	<u>87,812</u>	<u>24,711</u>	<u>552</u>	<u>111,120</u>	<u>127,679</u>
<b>Expenditures:</b>					
General government	1,114	379	4	1,509	1,317
Culture and recreation	4,000	3,188	-	7,188	8,289
Total expenditures	<u>5,114</u>	<u>3,567</u>	<u>4</u>	<u>8,694</u>	<u>9,606</u>
Excess of revenues over expenditures	82,714	21,143	548	104,405	118,073
<b>Other financing uses -</b>					
Operating transfer out	<u>(115,317)</u>	<u>(2,861)</u>	<u>-</u>	<u>(118,178)</u>	<u>(118,178)</u>
Excess of revenues over expenditures and other uses	<u>(32,603)</u>	<u>18,282</u>	<u>548</u>	<u>(11,773)</u>	<u>30,895</u>
Fund balances, beginning of year	<u>94,372</u>	<u>141,711</u>	<u>60,573</u>	<u>300,656</u>	<u>268,600</u>
Fund balances, end of year	<u>61,769</u>	<u>160,002</u>	<u>61,121</u>	<u>282,892</u>	<u>300,179</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF ELLIEN, LOUISIANA  
 SPECIAL REVENUE FUND  
 TWO PERCENT SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - FUND COUNCIL (BOS) AND ACTUAL  
 Year Ended June 30, 2014  
 100% Comparative Actual Amounts for Year Ended June 30, 2013

	2014			2013		
	Budget	Actual	Adjustment to Budgetary Items	Actual on Budgetary Items	Variances Favorable (Unfavorable)	2013 Actual on Budgetary Items
<b>Revenues</b>						
Sales tax collected	\$ 81,800	\$8,874	1,341	\$8,877	5,271	\$8,738
Interest income	908	1,816	-	1,816	186	3,081
Total revenues	<u>\$82,708</u>	<u>\$10,690</u>	<u>1,341</u>	<u>\$10,693</u>	<u>5,457</u>	<u>\$11,819</u>
<b>Expenditures</b>						
General personnel	1,000	1,218	-	1,218	(218)	1,000
Collection expense	-	-	-	-	-	0
Miscellaneous	4,000	4,000	-	4,000	-	-
Utilities and recreation	1,000	5,218	-	5,218	(4,218)	1,000
Total expenditures	<u>\$6,000</u>	<u>\$11,236</u>	<u>0</u>	<u>\$11,236</u>	<u>(5,546)</u>	<u>\$6,000</u>
Share of revenue and expenditures						
Other financing unit						
Operating transfer out -						
General fund	<u>\$112,000</u>	<u>\$111,200</u>	<u>-</u>	<u>\$111,200</u>	<u>4,400</u>	<u>\$111,200</u>
Share (addition) of revenue and expenditures and other financing unit	<u>\$10,808</u>	<u>\$11,000</u>	<u>2,241</u>	<u>\$10,700</u>	<u>1,628</u>	<u>179</u>
Fund balance, beginning of year	<u>79,261</u>	<u>\$4,455</u>	<u>(7,900)</u>	<u>\$4,455</u>	<u>4,500</u>	<u>\$4,455</u>
Fund balance, end of year	<u>\$ 1,269</u>	<u>\$1,111</u>	<u>(7,659)</u>	<u>\$1,111</u>	<u>15,112</u>	<u>\$1,111</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF CLUJAH, LOUISIANA  
SPECIAL REVENUE FUNDS  
(ONE-HALF PERCENT SALES TAX FUND)**

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (PLAIN BARS) AND ACTUAL**

Year Ended June 30, 2002

With Comparative Actual Amounts for Year Ended June 30, 2001

	<u>(000)</u>					
	<u>Budget</u>	<u>Actual</u>	<u>Adjustment to Budgetary Base (Plus / -)</u>	<u>Actual on Budgetary Base</u>	<u>Variance - Favorable (Unfavorable)</u>	<u>2001 Actual on Budgetary Base</u>
<b>Revenues:</b>						
Sales tax collected	\$ 21,400	21,704	304	22,269	569	21,424
Interest income	1,000	1,067	-	1,067	67	7,062
Total revenues	<u>21,400</u>	<u>22,771</u>	<u>304</u>	<u>23,336</u>	<u>936</u>	<u>28,486</u>
<b>Expenditures:</b>						
General government						
Collection expense	279	279	-	279	00	284
Culture and recreation	<u>1,000</u>	<u>1,100</u>	<u>(100)</u>	<u>1,094</u>	<u>(60)</u>	<u>2,280</u>
Total expenditures	<u>1,279</u>	<u>1,379</u>	<u>(100)</u>	<u>1,373</u>	<u>(100)</u>	<u>2,464</u>
Excess of revenues over expenditures	21,121	21,392	411	21,963	876	26,022
<b>Other financing uses:</b>						
Operating transfers out - General Fund	<u>(20,000)</u>	<u>(2,000)</u>	<u>407</u>	<u>(1,593)</u>	<u>17,777</u>	<u>(8,500)</u>
Excess of proceeds over expenditures and other financing uses	1,121	18,392	1,268	19,776	18,691	17,522
Fund balance, beginning of year	<u>107,762</u>	<u>141,174</u>	<u>(2,100)</u>	<u>141,272</u>	<u>75,000</u>	<u>124,111</u>
Fund balance, end of year	<u>\$ 108,883</u>	<u>161,862</u>	<u>(1,134)</u>	<u>161,778</u>	<u>49,877</u>	<u>141,633</u>

The accompanying notes are an integral part of this statement.

**GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets not used in proprietary fund operations.

# TOWN OF CULLEN, LOUISIANA

## COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS Fiscal Years 2002 and 2001

	2002	2001
General fixed assets, at cost:		
Land	\$ 69,680	69,680
Buildings	414,326	414,326
Improvements other than buildings	887,941	761,237
Equipment	818,131	805,413
Construction in Progress	<u>-</u>	<u>54,048</u>
Total general fixed assets	<u>\$ 1,852,311</u>	<u>1,874,907</u>
Investment in general fixed assets:		
Donation	\$ 73,639	73,639
General fund revenues	779,793	764,782
Sales tax fund revenues	21,850	21,850
Federal revenue sharing funds	95,894	95,894
Federal and state grants	<u>1,423,354</u>	<u>1,419,353</u>
Total investment in general fixed assets	<u>\$ 1,852,311</u>	<u>1,874,907</u>

The accompanying notes are an integral part of this statement.

PERMANENT FUND BALANCE

STATEMENT OF CHANGES IN-DEPRECIATED FIXED ASSETS  
Year ended June 30, 2002

	Land	Buildings	Improvements Other than Buildings	Depreciation	Contribution in Funds	Total
General fixed assets at beginning of year	\$ 68,000	414,126	791,117	666,413	94,000	1,959,656
Additions	-	-	86,000	1,116	-	86,916
Total beginning balances and additions	68,000	414,126	877,117	667,529	94,000	2,076,658
Deletions	-	-	-	(2,800)	(79,140)	(81,940)
Fixed assets at end of year	\$ 68,000	414,126	877,117	664,729	-	1,993,111

The accompanying notes are an integral part of this statement.

GENERAL LONG-TERM DEBT  
ACCOUNT GROUP

To account for unamortized principal amounts on general long-term debt expected to be financed from governmental type funds. To account for accumulated unpaid compensated absences not assumed in governmental type funds.

TOWN OF CULLEN, LOUISIANA

STATEMENT OF GENERAL LONG-TERM DEBT

June 30, 2002

With Comparative Totals for June 30, 2001

	<u>Totals</u>	
	<u>2002</u>	<u>2001</u>
AMOUNTS AVAILABLE AND TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG-TERM OBLIGATIONS		
Funds to be provided from -		
General Fund operation	\$ <u>86,861</u>	<u>102,425</u>
Total available and to be provided	\$ <u>86,861</u>	<u>102,425</u>
GENERAL LONG-TERM DEBT OBLIGATIONS		
Certificate of Indebtedness, Series 1999	\$ 81,464	79,481
Accumulated Unpaid Compensated Absences	<u>4,397</u>	<u>2,944</u>
Total general long-term debt obligations	\$ <u>86,861</u>	<u>102,425</u>

The accompanying notes are an integral part of this statement.

## OTHER SUPPLEMENTARY INFORMATION

# TOWN OF CULLEN, LOUISIANA

## SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

June 18, 2002

The Mayor and Board of Aldermen for the Town of Cullen were compensated for the year ended June 30, 2002 as follows:

	<u>Mayor</u>	<u>Aldermen</u>
Floydson White	\$ 18,000	-
Maudie Underwood	-	1,500
Myrtle Neal (does not receive compensation)	-	-
Curtis Kennedy	-	1,500
Jennifer Rhone	-	1,500
Andre' Washington	-	<u>1,500</u>
Compensation paid	\$ 18,000	<u>6,000</u>

**TOWN OF CULLEN, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**June 30, 2001**

The prior year audit findings for the year ended June 30, 2001, were as follows:

**Section I - Internal Control and Compliance Material to the Financial Statements**

In connection with the audit of the general purpose financial statements as of and for the year ended June 30, 2001, of the Town of Cullen, Louisiana, there were no items noted that are required to be reported in accordance with GAGAS.

**Section II - Findings and questioned costs related to federal awards**

In connection with the audit of the general purpose financial statements as of and for the year ended June 30, 2000, of the Town of Cullen, Louisiana, there were no items noted that are required to be reported in accordance with OMB Circular A-110.

**Section III - Management letter**

**2001-2: Local Government Budget Law**

**Finding:** LSA-R.S. 38:1110 concerns budgetary control. The law is to amend the budget in accordance with R.S. 39 whenever there is a variance of 5% (five percent) or more between actual and remaining projections as compared to budget amounts for revenues, expenditures or beginning fund balance. For the year ended June 30, 2001, the Town had adopted and amended the budget in an effort to be in compliance with the Local Government Budget Law, however, during our audit we noted that total revenues received in the General Fund were 17% less than the amounts budgeted to be received. This variance was mainly due to the difference in amounts received and budgeted for two federal grants awarded to the Town.

**Rating:** The Town complied with the requirements of the Local Government Budget Law during the fiscal year ended June 30, 2000.

## TOWN OF CULLEN, LOUISIANA

### CORRECTIVE ACTION PLAN

June 18, 2021

#### **Section I - Internal Control and Compliance Material to the Financial Statements**

In connection with the audit of the general purpose financial statements as of and for the year ended June 30, 2021, of the Town of Cullen, Louisiana, there were no items noted that are required to be reported in accordance with GASBS.

#### **Section II - Management Letter**

##### **2021-1: Use of public funds and Art. 7, Section 14 of the LA Constitution of 1874**

*Description of finding:* Article 7, Section 14 of the Louisiana Constitution of 1874 prohibits the funds, credit, property or things of value from being loaned, pledged, or donated to or for any person, association, or corporation. The Town of Cullen entered into the following transactions during the year ended June 30, 2021:

- The Town of Cullen paid the Boys & Girls Club \$4,000. A written cooperative endeavor agreement was prepared by the Town to support this transaction. However, according to Opinion Number 02-4142 issued by the Department of Justice, a municipality may not simply donate funds to an agency such as the Boys and Girls Club of America. It can, however, expend public funds for a program of social welfare for the aid and support of the needy provided that there exist objective criteria to properly identify those who are needy.
- The Town of Cullen provided services and funds to the Hope Center. Although both the current and former mayors of Cullen assert that a cooperative endeavor exists between the Town and the Hope Center, no written cooperative endeavor was provided as evidence to support their assertion.
- During our test work of utility billings, we noted the Town of Cullen had not adhered to its utility cutoff policy of cutting off past due accounts.

## TOWN OF CULLEN, LOUISIANA

### CORRECTIVE ACTION PLAN

June 18, 2003

Per Opinion 02-0162, issued by the Department of Justice, for a cooperative endeavor to be legally permissible, it must be made pursuant to a legal obligation; must be for a public purpose; and, it must result in a public benefit which is proportionate to its cost. We recommend that the Town determine if it has a legal obligation to expend public funds and evidence this determination by a valid statute, ordinance, charter, contract or Attorney General Opinion. In addition, we recommend the Town adhere to the staff policy and consider the use of a collection agency to pursue past due accounts.

Management's response: In reply to the findings on the Audit Report for the fiscal year ending June 30, 2002, please accept the following Management's Response and Corrective Action Plan:

1. The Town was under the impression that because a "Cooperative Endorsement Agreement" was in place, that the donations to the Boys & Girls Club was okay, as it benefited the children of the community. We accept your opinion, that this is not allowed, and the Town of Cullen will not donate any funds to the Boys and Girls Club in the future.
2. In the past, the Town has provided services to the Hope Center. The Hope Center serves the needy with regard to medical services, and services to at-risk youth, who are from very low income families, many who receive public assistance. This water, sewer and garbage service to the Center was implemented by the former mayor approximately five or six years ago. If a "Cooperative Endorsement Agreement" cannot be located, the Town will certainly see that one is adopted, as I feel that this is in compliance with the Opinion 02-0162, issued by the Department of Justice in that it is providing services to an organization that is providing social welfare for the aid and support of the needy.
3. The Town will begin immediately to enforce the policy for cutting off utility bills that are not current. Citizens will be mailed a letter referring to the Audit findings to let them know that the Town has to follow through on the Town's policy, in order to remain in full compliance. The Town has been lenient in the past. So many of our customers are in a very low-income bracket and our bills are high. I, along with the former mayor, have always tried to work with them, when a problem arises, so that they can continue to have running water in their homes.